

DEPARTMENT OF THE ARMY
HEADQUARTERS, JOINT READINESS TRAINING CENTER AND FORT POLK
FORT POLK, LOUISIANA 71459

CIVILIAN PERSONNEL
BULLETIN NO. 17-04

3 November 2004

VOLUNTARY SEPARATION INCENTIVE PAY (VSIP) AND
VOLUNTARY EARLY RETIREMENT AUTHORITY (VERA)
OPEN WINDOW – 3-17 NOVEMBER 2004
FOR ELIGIBLE MEDDAC CIVILIAN EMPLOYEES

1. Purpose. The purpose of this bulletin is to open a window of opportunity to allow eligible MEDDAC employees to apply for Voluntary Separation Incentive Pay (VSIP) in conjunction with optional retirement, voluntary early retirement (VERA) or resignation under the special workforce restructuring buyout authority for FY-05. This buyout authority is for GS-15 (or equivalent) and below positions.

2. Reason. MEDDAC must use this authority primarily to effect (1) civilian force reshaping (e.g., to encourage employees to leave positions to be replaced with updated or different skills to ensure the right competencies and skills mix for mission accomplishment and continuity of capabilities and contributions, (2) organization restructuring (e.g., to change the occupational series or grade level of the position or to change a supervisory position to nonsupervisory), or (3) to reduce the end strength.

3. Timeframe to leave the rolls. Because the buyout funds represent an FY-05 unfunded requirement, HQ, MEDCOM strongly suggests that employees, who are approved, separate from the rolls as early as possible in FY-05. Consideration may be given to employees who attain optional/early retirement eligibility during the latter part of FY-05 or for employees engaged in mission essential work that must continue through FY-05. **The MEDDAC Commander has the authority approve separation dates, but in all cases, employees must be off the rolls on or before 30 September 2005.**

4. Eligibility for VSIP.

a. VSIP is a lump-sum payment or installments, which is equivalent to an employee's severance pay entitlement, up to a maximum of \$25,000 paid upon voluntary resignation, early retirement, or optional retirement. Employees are eligible for VSIP provided they are:

--U.S. citizens, an exception exists for non-U.S. citizens employed under the Panama Canal Employment System;

- Eligible for VERA, optional retirement or resignation;
- Serving under an appointment without time limitation; and
- Have been continuously employed by the Federal government for at least 12 months.

b. The following categories of employees are ineligible to receive VSIP:

- Reemployed annuitants;
- Have received a specific RIF notice of separation;
- Are non-compensated employees;
- Have accepted a position in another Federal agency;
- Have declined to relocate with their position; or declined a transfer of function;
- Have previously received a separation incentive payment;
- Have received a decision notice of involuntary separation for misconduct or unacceptable performance.
- Have a pending or approved application for disability retirement or an employee having a disability on the basis of which such employee is or would be eligible for disability retirement.

NOTE: Generally, an employee on long-term compensation would likely be ineligible based on this provision. **However, an employee who is receiving workers compensation is eligible for VSIP.** If such an employee is approved, the Department of Labor, Office of Workers' Compensation Programs (OWCP) will be notified prior to the employee being paid a voluntary separation incentive. OWCP will interrupt compensation payments for the number of weeks equal to the VSIP amount. Additionally, if an employee who has returned to light duty accepts a buyout, the one-year bar on DoD employment, and five-year repayment requirement applies. In this situation, the employee would retire or resign and the compensation would cease. If compensation is subsequently reinstated, then as previously stated, OWCP will interrupt compensation payments until the total amount of the VSIP is repaid.

c. Absent a waiver, the following are ineligible for VSIP:

- Employees occupying "hard to fill" positions;
- Employees in receipt of a recruitment or relocation bonus, or retention allowance;
- Employees covered by a written service agreement resulting from a permanent change of station (PCS) or training;

--Employees occupying positions for which special salary rates are approved;

5. Buyout Restrictions.

--Employees who accept VSIP have restrictions placed on future employment with the Federal government. An employee, who accepts VSIP and accepts employment with the Federal Government within 5 years after the date of separation, must repay the entire amount of the incentive (buyout amount before taxes and deductions) to the Department of the Army.

--A DoD employee who takes VSIP is not allowed by DoD policy to return to DoD or enter into a personal services contract for one year after separation, even if the employee repays the incentive, unless the Assistant Secretary of the Army grants a waiver.

--A DoD employee approved for payment of a separation incentive is prohibited from registering in the Priority Placement Program.

6. Eligibility for Optional Retirement.

--Be age 62 with 5 years of service;

--Be age 60 with 20 years of service;

--Be age 55 with 30 years of service.

--FERS Minimum Retirement Age (55 or older) with 10 years of service (reduced annuity).

7. Eligibility for VERA.

a. In order to be eligible to retire under VERA by the date of separation, employees must:

--complete at least 20 years of creditable service and be at least age 50; or complete at least 25 years of creditable service, regardless of age;

--have been employed continuously by the Department of Defense (DoD) for more than 30 days before the date on which the determination to conduct a workforce reduction or restructuring action has been approved;

--not meet any of the ineligibility categories listed below.

b. Employees who fall under any of the following categories are not eligible for voluntary early retirement:

--have not been employed continuously by the Department of Defense (DoD) for more than 30 days before the date on which the determination to conduct a workforce reduction or restructuring action has been approved;

--are serving under time-limited appointments; or

--are in receipt of a decision of involuntary separation for misconduct or unacceptable performance.

8. Approval Process. If your supervisor approves your application, it will be forwarded to the MEDDAC Commander, Colonel Swann, for approval/disapproval, as appropriate. When the number of employees applying for VSIP exceeds the offers available, applications within that group shall be processed in order of seniority using the leave service computation date. Veteran's preference and tenure are not considered in this process. If approved by the Commander, it will be forwarded to MEDCOM for final approval.

9. Not an entitlement. Employees are reminded that the primary purpose of the VSIP and VERA authorities is to encourage employees to leave the rolls voluntarily. The incentives may only be approved if the appropriate criteria are met. Neither incentives are employee entitlements. Consequently, disapproval of an employee's request for VSIP or VERA is not a grievable matter and does not serve as a basis for a complaint or appeal.

10. Application Procedures. All eligible MEDDAC employees who voluntarily desire to apply for VSIP in conjunction with optional retirement, early retirement or resignation must complete the attached application and present the completed form to their supervisor for consideration. The supervisor will complete the supervisory portion of the form only for those applications that are approved. The approved application, with supervisory endorsement, must be submitted to **Charlotte Strother, MEDDAC, Resource Management Division, NO LATER THAN CLOSE OF BUSINESS ON 17 November 2004.**

11. Questions. Questions regarding this bulletin should be addressed to Human Resource Specialists, Krista Lowery at 531-6805 or Gloria Ricks at 531-6500.

Attachment
As

//Original Signed//
DONALD R. MALLETT
Director, Civilian Personnel
Advisory Center

**MEDCOM FY 05 Voluntary Separation Incentive Payment for Reshaping or Downsizing
(Employee Application and Supervisory Endorsement)**

To be completed by applicant for Voluntary Separation Incentive Payment (VSIP) –PLEASE TYPE:

Name: _____ Social Security Number: _____

Organization: _____ Occupational Title, Series and Grade: _____

Service Computation Date: _____

Work telephone number (Area Code + number): _____

Date Eligible for Optional or Early Retirement (must be on or before 30 Sep 05): _____

Projected Date (must be on or before 30 Sep 05): **Effective Date** _____

Type of Separation: **Optional Retirement** _____ **VERA** _____ **Resignation** _____

Employee's Signature

Date

To be completed by Supervisor – PLEASE TYPE:

I approve the employee application for a VSIP. The vacated position will be restructured from

_____ to _____
(TDA #, Para/Line #, Series/Grade/Title) (TDA #, Para/Line #, Series/Grade/Title)

OR

Will be abolished. _____

The reasons for the change are as follows:

_____ Changing mission requirements of the organization requires position change.

_____ To convert the position to non-supervisory, in keeping with current goals to flatten Federal organizations and to reduce management hierarchies.

_____ Current incumbent fails to meet changing qualification requirements for the position (e.g, newly imposed educational requirement for GS-1102).

_____ To reduce overall organizational costs.

_____ To change the structure of the organization.

_____ The position needs changing as a result of accretion/assignment of duties.

_____ Position Abolishment.

_____ Other (Explain): _____

APPROVED:

Supervisor's Signature

Date

Type Name: _____

Telephone Number: _____

Title and Pay Grade: _____